

Congress of the United States  
House of Representatives  
Washington, DC 20515

March 17, 2021

The Honorable Janet Yellen  
Secretary  
United States Department of the Treasury  
1500 Pennsylvania Avenue, NW  
Washington, DC 20220

Secretary Yellen,

Congratulations on your recent confirmation as Secretary of the United States Treasury Department. We look forward to working with you and your staff to rebuild our economy and address the many fiscal issues caused by the COVID-19 pandemic.

We write to express serious concern with Subtitle M Section 9901 of the American Rescue Plan Act which includes the following provision:

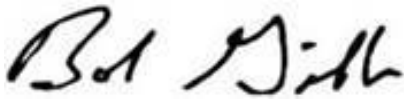
**FURTHER RESTRICTION ON USE OF FUNDS.**—“(A) IN GENERAL.—A State or territory shall not use the funds provided under this section or transferred pursuant to section 603(c)(4) to either directly or indirectly offset a reduction in the net tax revenue of such State or territory resulting from a change in law, regulation, or administrative interpretation during the covered period that reduces any tax (by providing for a reduction in a rate, a rebate, a deduction, a credit, or otherwise) or delays the imposition of any tax or tax increase.”

It is our belief this provision would hamstring states like Ohio from shaping their own economies by prohibiting them from implementing any tax cuts through 2024 if they accept any money from the State and Local Fiscal Recovery Funds.

States need clarification on how this provision will be interpreted and enforced. Will states who accept American Rescue Plan Act dollars be completely prohibited from implementing tax cuts through 2024? If there are exceptions or instances where states are able to cut taxes, states must be made aware of those circumstances, and we urge you to do so as soon as possible.

Thank you for your time and consideration.

Sincerely,



Bob Gibbs  
Member of Congress



Anthony Gonzalez  
Member of Congress



Michael R. Turner  
Member of Congress



Bill Johnson  
Member of Congress